BUSINESS PLAN 2017–20
Culture and Tourism

ACCOUNTABILITY STATEMENT

This business plan was prepared under my direction, taking into consideration the government's policy decisions as of March 3, 2017.

original signed by

Ricardo Miranda, Minister

MINISTRY OVERVIEW

The ministry consists of the Department of Culture and Tourism, the Historic Resources Fund, the Alberta Foundation for the Arts, the Alberta Historical Resources Foundation, Alberta Sport Connection and Travel Alberta.

Culture and Tourism strives to positively impact Albertans' quality of life, the prosperity of Alberta's communities and economic diversification. The ministry contributes to these areas through the operation of provincial heritage facilities, delivery of education programs and special events, support of francophone communities, and the development and marketing of tourism and cultural industries (film and television, book and magazine publishing, sound recording, and interactive digital media).

The ministry supports participation and excellence in competitive sport and promotes active, healthy lifestyles through recreation and physical activity. The ministry promotes building resilient communities by supporting non profit/voluntary sector organizations. It also educates young and new Albertans about the richness of their own and their neighbours' heritage and history. Culture and Tourism promotes the arts and cultural industries in Alberta while enhancing Albertans' options for leisure activities.

A more detailed description of Culture and Tourism and its programs and initiatives can be found at www.culturetourism.alberta.ca.

STRATEGIC CONTEXT

The outcomes and key strategies identified in this business plan are aligned with the strategic direction of the Government of Alberta.

Alberta's evolving and inclusive society

Culture impacts virtually every aspect of our lives and is the lens through which individuals understand one another and express themselves while maintaining distinct identities in today's cultural mosaic. Culture is taught, learned and shared. The value of culture to an individual's development is such that it is enshrined in the United Nations Convention on the Rights of the Child (Article 31), which recognizes the right of the child to relax and play, and to join in a wide range of cultural, artistic and other recreational activities, including the concept of preserving intangible cultural heritage. Historic places, sport and recreation, and community events play a role in shaping the cultural life of all Albertans. Moreover, with additional guidance provided by the United Nations Declaration on the Rights of Indigenous Peoples and the Truth and Reconciliation Commission of Canada, the ministry continues to help ensure

that Indigenous people can participate as equal partners in Alberta's economy and society. This includes forging respectful relationships with Indigenous populations and promotion of their unique communities and heritage. The ministry also collaborates with other partners across Alberta, including working with communities to encourage Albertans to enrich their lives through culture and heritage, recreation and sport, tourism and events.

Alberta's population continues to grow and become more diverse. Albertans are proud of their rich heritage and enjoy learning about different cultures, including Indigenous and francophone communities. Among the wide variety of languages spoken by Albertans, the top five are English, French, Tagalog, German and Spanish. Alberta is also home to the country's largest Metis population, Canada's third largest Indigenous population, the fourth largest francophone population and fourth largest visible minority and immigrant populations. As a result, demand for new cultural and tourism experiences continues to increase, including the desire to preserve historic places for future generations. Culture and tourism are key components in the government's efforts to diversify the economy and create jobs. Alberta's diversity creates great potential for tourism operators, investors, cultural organizations and government to develop an enhanced network of sustainable opportunities to meet this demand, thereby contributing to individuals' quality of life and promoting wellbeing and satisfaction.

Strong and vibrant communities

The quality of life of any society is measured by the social and economic well-being of its citizens. Inclusive communities that foster active participation are better equipped to tackle a variety of social, political and economic issues. Community organizations provide leadership and support that help build resilient communities. The province's non-profit/voluntary sector consists of over 25,000 organizations that provide essential goods and services in support of mental and physical health, community development, resiliency and citizen engagement. It also includes other sectors such as education, business support services, social services and the environment.

The non-profit and voluntary sector's contributions to creating strong and vibrant communities and enhancing Albertans' quality of life are never more apparent than during difficult economic times. The ministry offers key support to sector stakeholders in the integral role they play in making Alberta a place in which to live, work and play. Non-profit and voluntary sector organizations are facing a growing demand for services, and it is crucial that funders and organizations work together to address issues such as financial instability. Through these vital partnerships, the ministry builds organizational capacity, fosters community engagement and boosts social cohesion. Community organizations and facilities provide opportunities for Albertans of all ages to volunteer and engage in arts, heritage, recreation, sports and community-based events throughout rural and urban Alberta. When volunteers contribute critical time and expertise through non-profit organizations and events, it brings benefits such as increased pride, satisfaction, and accomplishment through making a difference in communities. Volunteering strengthens interpersonal relationships and a sense of connectedness between Albertans. This further enhances Albertans' civic pride while broadening opportunities for networking, learning and skills development and building the next generation of leaders and innovators. Government recognizes Culture and Tourism's contributions as essential to community development and the social, physical and economic foundation of the province, helping to make Alberta one of Canada's most attractive places in which to live, study, visit and do business.

Albertans value the institutions that keep the past vibrantly alive for generations to come. The preservation and protection of Alberta's rich history creates knowledge and awareness of the past, strengthens pride in communities and helps to grow economic opportunities for a prosperous future. The preservation of historic buildings also saves the energy that would be otherwise required to construct new structures. As the "greenest" building is the one that is already built, it is important to designate and preserve historic resources not only to celebrate Alberta's cultural heritage but to secure a positive environmental legacy.

Drivers for job creation, economic diversification and growth

Alberta's culture sector generates significant economic value and is a key driver of creativity in the economy. The 2014 Canadian Culture Satellite Account indicators estimate that direct expenditures on culture and sport were $11.2 billion, and that culture and sport contributed $6.4 billion in GDP in Alberta, the fourth highest among the provinces and territories. Culture and sport also accounted for approximately 67,635 jobs across the province in 2014. The arts and creative industries deliver a competitive edge and help enhance the quality of life of all Albertans. Audiovisual and interactive media contributed $1.9 billion, visual and applied arts contributed $1.2 billion, and sport and recreation contributed $800 million. Alberta's cultural industries play a significant role in creating a prosperous and diversified economy while contributing to the awareness of Alberta's strengths and potential.

Ministry supported arts and culture organizations employ more than 3,400 people and present an average of 24,000 events per year throughout the province. Albertans are also proud of the vast spectrum of museums, historic sites, archives, interpretive centres and art exhibits hosted in the province. Culture and tourism programs and facilities, including those related to sport and recreation, are important to communities and Albertans, and help promote healthy lifestyles, build community pride and create regional and provincial economic benefit. The variety of cultural events offered throughout the province is recognized and brings visitors from around the world.

Tourism has a broad and diversifying effect on the economy, impacting the transportation, accommodation, food and beverage, recreation, arts and culture, and retail sectors. According to Statistics Canada, Alberta's tourism industry generated approximately $8.3 billion in direct visitor expenditures during 2014. The gross domestic product (GDP) contribution of visitor spending across all industries was estimated to be $9.2 billion (2013) with tourism supporting more than 19,000 primarily small and medium-sized businesses, sustaining 127,000 full-time equivalent jobs directly and indirectly in all regions of the province.

Alberta's tourism industry must respond to the unique challenges of destinations across the province. For established destinations, predominantly in the Rocky Mountains, seasonal diversification and product renewal will play crucial roles in attracting more visitors. For less established destinations, a stronger focus on agri-tourism, cultural attractions, Indigenous tourism development, and outdoor recreation and nature-based tourism opportunities will emphasize authentic experiences. While doing so, tourism will contribute to job growth and economic diversification, providing employment opportunities across many sectors, from front line positions to entrepreneurial and executive level jobs. By showcasing Alberta to the world, the industry also creates a positive image of Alberta in the global marketplace and contributes to Albertans' quality of life.

OUTCOMES, KEY STRATEGIES AND PERFORMANCE MEASURES

Outcome One: Vibrant communities and diverse cultural opportunities enhance Albertans' quality of life

The ministry works to strengthen the capacity of Alberta's non profit/voluntary sector by improving services and supporting community initiatives. This includes providing financial support through grant programs and facilitation, consultation, and skill development services. It also administers federal funding under the 2013-18 Canada-Alberta Agreement on French Language Services, which supports ministries and agencies across government to enhance, develop and deliver services in French. The ministry provides access to Alberta's heritage through its network of 20 museums, historic sites and archives. It works with Education to incorporate culture and heritage into the K–12 curriculum. The ministry also regulates potential impacts to historic buildings, archaeological and palaeontological sites, and Indigenous traditional use sites and provides advice and financial support to conserve historic sites, cultural artifacts and archival records. The ministry supports the efforts of artists and arts organizations, and works toward a more active Alberta by assisting partners in recreation, physical activity and sport sectors in planning and evaluating quality program, research and policy initiatives.

Key Strategies:

1.1 In partnership with Indigenous Relations, address recommendations in the Truth and Reconciliation Commission Report and the United Nations Declaration on the Rights of Indigenous Peoples through repatriating sacred ceremonial objects held in Crown-owned collections.

1.2 Work with Infrastructure to complete the development of the new Royal Alberta Museum and to expand the Royal Tyrrell Museum of Palaeontology.

1.3 Work with government partners to promote the environmental benefits of preserving and reusing historic buildings, where appropriate, and explore other measures to support such preservation and reuse.

1.4 Provide additional funding for artists and arts organizations to support greater access, excellence and sustainability for the arts in Alberta, and lead the provincial role in Canada's 150th anniversary.

1.5 Collaborate with government departments, agencies, boards and commissions as well as francophone community stakeholders to develop and implement a French-language Policy for Alberta to guide the delivery of government services in French.

1.6 Further the Framework for Recreation in Canada at the community level through implementation of the Municipal Recreation Engagement Strategy, revise funding models to support stakeholders, and develop revenue generating options to support provincial sport initiatives.

Performance Measures	Last Actual (Year)	Target 2017-18	Target 2018-19	Target 2019-20
1.a Percentage of facilitation participants who are able to apply/use the results from the services	95.2% (2015-16)	95.0%	95.0%	95.0%
1.b Percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta	93.9% (2015-16)	94.0%	95.0%	95.0%
1.c Percentage of adult Albertans who visited a heritage facility in Alberta	57.4% (2015-16)	58.0%	59.0%	60.0%
1.d Percentage of adult Albertans who attended arts activities or events	79.5% (2015-16)	82.0%	82.0%	82.0%
1.e Percentage of Albertans who are active or moderately active in their leisure time				
• 12-19 years	73.2%	73.0%	73.0%	74.0%
• 20-34 years	60.7%	61.0%	61.0%	62.0%
• 35-44 years	56.2%	56.0%	56.0%	57.0%
• 45-64 years	53.8%	54.0%	54.0%	55.0%
• 65 years and older	43.6% (2014)	44.0%	44.0%	45.0%

Linking Performance Measures to Outcomes:

1.a This measure indicates the percentage of clients who are able to apply/use the results from the ministry's customized capacity building facilitation workshops in order to enhance the work of non profit/voluntary sector organizations.

1.b This measure reflects Albertans' views toward historical resources including museums, archives, historic sites and interpretive centres and relates to the ministry's efforts to promote, preserve and present Alberta's heritage.

1.c This measure provides an indication of how many Albertans visited a heritage facility in Alberta in the past year. Heritage facilities included in this measure are not limited to those operated by the ministry.

1.d This measure indicates adult Albertans' attendance in activities such as festivals and live performances (e.g., music, theatre or dance), taking an arts course or visiting an exhibition or gallery.

1.e This measure relates to the ministry's efforts to increase physical activity in Albertans' leisure time.

Performance Indicators		Actual (Year)	Actual (Year)	Actual (Year)	Actual (Year)
1.a	Total charitable donations from Albertans ($ billions)	1.44 (2011)	1.39 (2012)	1.47 (2013)	1.55 (2014)
1.b	Percentage of adult Albertans who agree that overall historical resources are being adequately protected and preserved in Alberta communities	63.6% (2012-13)	68.4% (2013-14)	68.4% (2014-15)	66.5% (2015-16)
1.c	Percentage of adult Albertans who volunteered with organizations in their community	70.4% (2012-13)	68.4% (2013-14)	60.9% (2014-15)	71.4% (2015-16)
1.d	Percentage of adult Albertans who feel arts activities are important in contributing to the overall quality of life in their community[1]	91.2% (2012-13)	87.6% (2013-14)	88.7% (2014-15)	85.3% (2015-16)
1.e	Percentage of adult Albertans who are physically active enough to experience health benefits	58.5% (2009)	54.3% (2011)	59.1% (2013)	60.3% (2015)

Note:

[1] Performance indicator 1.d was reported as a performance measure in the ministry's 2016-19 business plan. As an indicator, it shows progress toward the achievement of results that the ministry may not directly influence.

Outcome Two: Tourism and the cultural industries are key drivers of Alberta's economic diversification

The ministry is committed to the expansion of Alberta's tourism sector and to increasing awareness of the economic significance of tourism for the province. This is achieved by growing and diversifying Alberta's tourism industry in collaboration with internal and external stakeholders to create new and expanded tourism attractions, destinations and experiences. Alberta's tourism marketing initiatives are carried out through Travel Alberta, the tourism marketing agency of the province. Alberta's tourism industry is also supported through research and the development and implementation of policy to increase diversification and growth. Through the Alberta Media Fund, the ministry provides financial incentives to support screen-based production, book and magazine publishing, sound recordings and digital and interactive media creation. This investment creates, sustains and attracts skilled workers, helps diversify the economy, supports our tourism industry, and provides a higher quality of life for Albertans through the creative expression of who we are to the world.

Key Strategies:

2.1 Update and implement programs and services to support tourism entrepreneurs and to attract both foreign and domestic investment into the tourism industry; and help support destination management/marketing organizations and other tourism industry stakeholders to grow tourism in their communities.

2.2 In collaboration with Environment and Parks, improve access to land to support tourism entrepreneurs and investment attraction by leading strategic tourism policy initiatives.

2.3 Complete a Castle Region Tourism Strategy to map out a plan for tourism development in the Castle region.

2.4 Grow tourism revenue from high-potential markets and segments in Alberta and internationally.

2.5 Advance the government's economic diversification priority by building capacity through investment attraction and access to new markets, as well as supporting further development and retention of a highly skilled cultural industries workforce.

2.6 Work with Economic Development and Trade on sector-specific initiatives including a Cultural Industries Grant Pilot Program that will provide two new incentives designed to create jobs and support economic diversification through support to post-production, visual effects, digital animation and interactive digital media.

Performance Measures	Last Actual (Year)	Target 2017-18	Target 2018-19	Target 2019-20
2.a Total tourism expenditures in Alberta ($ billions)	8.3 (2014)	8.7	9.2	9.7
2.b Percentage of tourism industry clients satisfied with tourism research, development and visitor services[1]	79.4% (2015-16)	81.0%	82.0%	82.0%

Note:

[1] In previous years, performance measure 2.b excluded visitor services in measuring client satisfaction levels. The revised measure provides results on a broader scope of services and is therefore not directly comparable to previous results.

Linking Performance Measures to Outcomes:

2.a This measure includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces and Albertans.

2.b The ministry provides a range of information and advisory resources for new and expanded tourism development projects throughout Alberta, including resource management and development; destination development and product enhancement; and tourism business development and investment.

Performance Indicators	Actual (Year)	Actual (Year)	Actual (Year)	Actual (Year)
2.a Tourism visitation (thousands of person visits)	35,316 (2011)	33,092 (2012)	34,155 (2013)	34,684 (2014)
2.b Alberta's tourism levy ($ millions)	82.3 (2012-13)	87.4 (2013-14)	91.5 (2014-15)	80.8 (2015-16)
2.c GDP of Alberta's Cultural Industries ($ millions)				
• Written and published works	961	894	897	855
• Audio-visual and interactive media	1,642	1,786	1,883	1,949
• Sound recording	37 (2011)	39 (2012)	41 (2013)	43 (2014)

RISKS TO ACHIEVING OUTCOMES

Challenges faced by Alberta's non-profit and voluntary sector due to the state of the economy present a strategic risk for the ministry. With the risk of decreased corporate sponsorships, arts and culture organizations will also have to explore ways to engage audiences differently. There is also a risk that tourism and cultural industries' contributions to Alberta's economic diversification will be affected by external factors such as competition from other jurisdictions and economic variables that impact trends in travel and investment. Opportunities arising from the current economic climate include a potential increase in international and domestic visitation due to increased air access and the value of the Canadian dollar. Increased air access and visitation opens doors for tourism, business and investment. Related expenditures are key to strengthening and diversifying the economy.

STATEMENT OF OPERATIONS

(thousands of dollars)	Comparable					
	2015-16 Actual	2016-17 Budget	2016-17 Forecast	**2017-18 Estimate**	2018-19 Target	2019-20 Target
REVENUE						
Transfer from Alberta Heritage Scholarship Fund	52	80	80	**80**	80	80
Transfers from Government of Canada	1,288	1,088	1,203	**1,223**	1,338	1,538
Investment Income	697	743	743	**417**	505	610
Premiums, Fees and Licences	7,112	5,928	5,928	**6,922**	7,110	7,283
Other Revenue	16,013	18,408	18,528	**18,133**	18,651	18,943
Ministry Total	25,162	26,247	26,482	**26,775**	27,684	28,454
Inter-Ministry Consolidations	(73)	(80)	(80)	**(80)**	(80)	(80)
Consolidated Total	25,089	26,167	26,402	**26,695**	27,604	28,374
EXPENSE						
Ministry Support Services	15,599	15,172	15,172	**15,009**	16,384	18,255
Community and Voluntary Support Services	86,204	98,576	97,376	**115,094**	114,975	92,490
Creative Industries	81,863	74,935	74,935	**76,786**	68,720	69,718
Francophone Secretariat	1,279	1,310	1,425	**1,540**	1,720	1,945
Heritage	53,381	55,469	65,589	**57,615**	60,696	61,527
Recreation and Physical Activity	29,386	29,344	29,344	**27,426**	27,057	27,718
Tourism	67,704	62,056	62,056	**60,787**	61,391	62,255
2013 Alberta Flooding	1,932	6,025	3,225	**-**	-	-
Climate Leadership Plan	-	-	9	**-**	-	-
Ministry Total	337,348	342,887	349,131	**354,257**	350,943	333,908
Inter-Ministry Consolidations	(5,385)	(3,300)	(3,300)	**(3,300)**	(3,300)	(3,300)
Consolidated Total	331,963	339,587	345,831	**350,957**	347,643	330,608
Net Operating Result	(306,874)	(313,420)	(319,429)	**(324,262)**	(320,039)	(302,234)
CAPITAL INVESTMENT						
Ministry Support Services	168	425	425	**425**	425	425
Creative Industries	1,542	335	335	**335**	335	335
Heritage	1,511	1,946	1,946	**1,946**	1,946	1,946
Recreation and Physical Activity	21	-	-	**-**	-	-
Ministry Total	3,242	2,706	2,706	**2,706**	2,706	2,706
Consolidated Total	3,242	2,706	2,706	**2,706**	2,706	2,706